Max Baucus, Chairman

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FINANCE LEADERS HEAR OF SLOW SERVICE AT SOCIAL SECURITY OFFICES AS GAO UNCOVERS STAFFING SHORTFALLS, INCREASED WAIT TIMES

Baucus and Grassley requested study by Government Accountability Office;

Finance hearing stresses need for greater efficiency,

commitment to oversight and funding

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Chuck Grassley (R-Iowa) convened a hearing of the panel today to review a Government Accountability Office (GAO) report showing inadequacies in services to the public at Social Security Administration (SSA) field offices. In 2007, 42 million Americans were served at about 1,300 regional SSA field offices, but GAO testified today that it is difficult or impossible for many Americans to reach local Social Security offices by telephone, and that waiting times for in-person visits exceed two hours at some offices. GAO says problems result from a 14 percent reduction in field office staff between 2003 and 2007, an increase in disability and retirement applications as the Baby Boom generation ages, and new workloads, such as those related to the Medicare prescription drug program.

"With the efforts of my colleagues and many concerned people, we were able to increase SSA funding for 2008 by \$150 million. This allowed for a modest increase in staff. But it's clear that the staff shortage is still severe, and I believe that an increase over the President's request is needed for the upcoming year. Sufficient resources must continue to be provided in future years," said Baucus.

"Staffing shortages, disability backlogs and deferred workloads must be addressed. Additional resources are a short-term solution, but long-term, Social Security policies, systems and procedures need a major overhaul," Grassley said. "To that end, I've instructed my staff to begin a comprehensive review to identify ways to reduce administrative complexity and improve program integrity. It's an ongoing effort and I hope to introduce legislation this summer."

Reductions in field office staff have also reduced the agency's ability to regularly review beneficiaries' eligibility for benefits.

The full GAO report may be viewed on the agency's website: www.gao.gov.